

BOWL SASK

Auditors' Report

Financial Statements - May 31, 2011



CHARTERED ACCOUNTANTS

Bill Jensen, C.A. Prof. Corp.
Jeff Stromberg, C.A. Prof. Corp.

INDEPENDENT AUDITOR'S REPORT

To the Members of **Bowl Sask**

Report on the Financial Statements

We have audited the accompanying financial statements of **Bowl Sask**, which comprise the statement of financial position as at **May 31, 2011** and the statement of earnings and members equity, statement of changes in financial position, for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

The audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of **Bowl Sask** as at **May 31, 2011**, and the results of its financial activities, and change in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Saskatoon, Saskatchewan

July 27, 2011

Chartered Accountants

BOWL SASK

Statement of Financial Position

May 31, 2011
with comparative figures for 2010

	<u>2011</u>	<u>2010</u>
<u>Assets</u>		
Current assets:		
Cash in bank	\$ 25,767	24,600
Accounts receivable	7,422	3,552
Prepaid Expenses	<u>4,053</u>	<u>1,382</u>
	<u>\$ 37,242</u>	<u>29,534</u>
 <u>Liabilities and Members' Equity</u>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 965	907
Deferred income	<u>21,665</u>	<u>20,240</u>
	22,630	21,147
 Members' equity, per accompanying statement	 <u>14,612</u>	 <u>8,387</u>
	<u>\$ 37,242</u>	<u>29,534</u>

See accompanying notes to financial statements.

ON BEHALF OF THE BOARD:

 Director

 Director

BOWL SASK

Statement of Earnings and Members' Equity

Year ended May 31, 2011
with comparative figures for 2010

	<u>2011</u>	<u>2010</u>
Revenue:		
Bowlers Affiliation	\$ 8,391	8,279
Bowl Canada Group Purchasing Programs	331	476
Bowl Canada Lane Dues	12,460	12,880
Bowl SASK Lane Dues	16,470	16,695
Conference Fees	1,900	1,950
Exhibitors/Conference Fees	1,000	1,000
Club 55+ Income (Schedule 1)	3,134	3,284
Late Penalties	120	-
Interest	51	7
Saskatchewan Lotteries Trust Fund		
Map Grant	3,900	3,700
Tournament Revenue (Schedule 2)	<u>7,908</u>	<u>7,734</u>
	55,665	56,005
Expenses:		
Administration (schedule 3)	10,813	9,660
Bowling federation memberships	2,000	2,000
Bowl Canada lane dues	12,460	12,880
Conference Expense (Schedule 4)	1,656	1,352
Grassroots assistance	8,391	8,279
Map grant expense (Schedule 5)	5,966	7,825
Tournament Expense (Schedule 6)	8,154	8,296
	<u>49,440</u>	<u>50,292</u>
Earnings	6,225	5,713
Members' equity, beginning of year	<u>8,387</u>	<u>2,674</u>
Members' equity, end of year	<u>\$ 14,612</u>	<u>8,387</u>

See accompanying notes to financial statements.

BOWL SASK

Statement of Changes in Financial Position

Year ended May 31, 2011
with comparative figures for 2010

	<u>2011</u>	<u>2010</u>
Operating activities:		
Earnings	\$ 6,225	5,713
Changes in non-cash working capital balances related to operations:		
Accounts receivable	(3,870)	5,608
Prepaid expenses	(2,671)	640
Accounts payable and accrued liabilities	58	(343)
Deferred income	<u>1,425</u>	<u>(985)</u>
	<u>1,167</u>	<u>10,633</u>
Net change in cash during year	1,167	10,633
Cash, beginning of year	<u>24,600</u>	<u>13,967</u>
Cash, end of year	<u>\$ 25,767</u>	<u>24,600</u>

Cash is comprised of cash in bank less outstanding cheques.

See accompanying notes to financial statements.

BOWL SASK

Notes to Financial Statements

May 31, 2011

1. Purpose

Bowl SASK is a non-profit trade organization which runs various bowling programs for all ages and takes an active roll raising public awareness for the sport of bowling throughout the province.

2. Significant Accounting Policies

Capital assets and amortization

Capital assets are recorded as an expense in the period in which they are purchased. No provision for amortization is taken.

Deferred revenue

The financial statements of Bowl SASK has been prepared on the accrual basis. The association receives member dues, conference fees, and provincial marketing plan from its members which relate to services to be provided during the following year. Accordingly, these funds are not recorded as revenues in the current period and are deferred until the following year when the services are provided or memberships expire. The association also receives advertising funds which relate to periods beyond the following year. These amounts have been classified as a short term liability.

3. Financial Instruments

Fair Value

The association's financial instruments comprise cash and cash equivalents, accounts receivable, prepaid expenses, accounts payable, and deferred revenue. The carrying amounts of these accounts approximate their fair value due to their short-term nature.

BOWL SASK

Schedules of Revenues

Year ended May 31, 2011
with comparative figures for 2010

	<u>2011</u>	<u>2010</u>
Schedule 1 - Club 55+ Grants and Income		
Memberships	\$ 1,394	1,469
Hi - Lo Doubles	714	819
Triples Team Event	<u>1,026</u>	<u>996</u>
	<u>\$ 3,134</u>	<u>3,284</u>
 Schedule 2 - Tournament Revenue		
Bowl SASK Provincial Doubles	\$ 1,214	1,000
National Classic 5 pin	2,812	2,792
National Classic 10 pin	536	442
Sask Cash Bowl	<u>3,346</u>	<u>3,500</u>
	<u>\$ 7,908</u>	<u>7,734</u>

See accompanying notes to financial statements.

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Schedules of Expenses

Year ended May 31, 2011
with comparative figures for 2010

	<u>2011</u>	<u>2010</u>
Schedule 3 - Administration		
Audit	\$ 2,730	2,678
Awards & Medals	508	762
Bank Charges	-	33
Bookkeeping	2,025	1,500
Director's expenses	4,457	3,963
General Expense	521	137
Office	459	425
Telephone	113	162
	<u>\$ 10,813</u>	<u>9,660</u>
 Schedule 4 - Conference Expense		
Annual Conference	\$ 1,000	849
Semi-Annual Meeting	656	503
	<u>\$ 1,656</u>	<u>1,352</u>
 Schedule 5 - Map Grant Expense		
Hi - Lo Doubles	1,130	1,121
Provincial Triples	4,672	6,573
Miscellaneous	164	131
	<u>\$ 5,966</u>	<u>7,825</u>
 Schedule 6 - Tournaments Expense		
Bowl SASK Provincial Doubles	\$ 1,436	1,200
Classified 5 pin	2,381	2,143
Classified 10 pin	571	786
Sask Cash Bowl Payouts	3,766	4,167
	<u>\$ 8,154</u>	<u>8,296</u>

See accompanying notes to financial statements.